EPARTMENT OF STATE
Washington, D.C. 20520
September 7, 1973.

673B

MEMORANDUM
LIMITED OFFICIAL USE

EXDIS

TO: E - Mr. Casey
EB - Mr. Armstrong
EB/ORF - Mr. Katz
AF/N - Mr. Lane
L - Mr. Feldman
EB/IFD/OIL - Mr. Ellis
NEA/ARP - Mr. Dickman
Treasury - Mr. Essley
Office of Energy Policy - Mr. Dibona
Interior - Mr. Wakefield
CIEP - Mr. Flanigan
NEA - Mr. Sisco
AF - Mr. Newsom
AF/N - Mr. Blake
EB/ORF/FSE - Mr. Mau
L/EB - Mr. Muir
L/AF - Mr. Spiegel

[redacted] telephoned to say that LARG was pressing the majors to resume lifting. Their response had been that they could do so only if they were not required to acknowledge the Libyan national oil company as 51% consignor. Mr. Muntassar had rejoined that they need not sign the manifests to that effect, if they would otherwise so acknowledge, an offer that has been declined.

He noted that LARG had returned all statements of protest and notices to arbitrate and that Mr. Muntassar had affirmed that "the Government absolutely will not consider arbitration". LARG was even pressing the companies to return the receipts given for the notices of arbitration earlier served. Mr. Muntassar had noted that "unfortunately" the law provides that the companies can go to arbitration without the participation of LARG.

[redacted] said that Mr. Muntassar stated that LARG wished to resume negotiations, but only on the basis of the companies' accepting the 51% nationalization. The companies had indicated that they could not do that.

Stephen M. Schwebel
Counselor on International Law

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L: SM Schwebel

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY T.W. Ainsworth DATE 12/16/12
EXDIS DATE 0 A DR
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PET 15-2 Libya XP POL 15 Libya